

Semiconductor Co-Investment Program Announcement



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- **Non-GAAP Measure.** This presentation includes the non-GAAP measure adjusted free cash flow. We believe this non-GAAP financial measure is helpful in understanding our capital requirements and sources of liquidity by providing an additional means to evaluate the cash flow trends of our business. We are unable to provide a full reconciliation of this measure to the corresponding GAAP measure without unreasonable efforts, as the amount and timing of related adjustments on a long-term basis are subject to considerable uncertainty, depend on various factors, and could be material to our results computed in accordance with GAAP. We believe such a reconciliation would also imply a degree of precision that is inappropriate for these forward-looking measures. This non-GAAP financial measure should not be considered a substitute for, or superior to, financial measures prepared in accordance with GAAP.
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Smart Capital Strategy: Putting Points on the Board

Shell First
Strategy



Effective Use of 3rd
Party Foundry



Customer
Commitments



Government
Incentives



Semi Co-Invest
Program



Offsets:

Conservative 10% assumption but pursuing 20-30%
Over the next 5 years

Brookfield Infrastructure's Partnership Experience



DIGITAL REALTY



Dominion Energy®



Semiconductor Co-Investment Program (SCIP)

Details

- First-of-its-kind program in semiconductors
- Brookfield is our initial partner
- Investing up to \$30B for 2 new factories

Project Benefits

- Accelerate our IDM 2.0 strategy and factory scale-out
- Intel to maintain full control of the factory construction, operations, and IP

intel | **Brookfield**



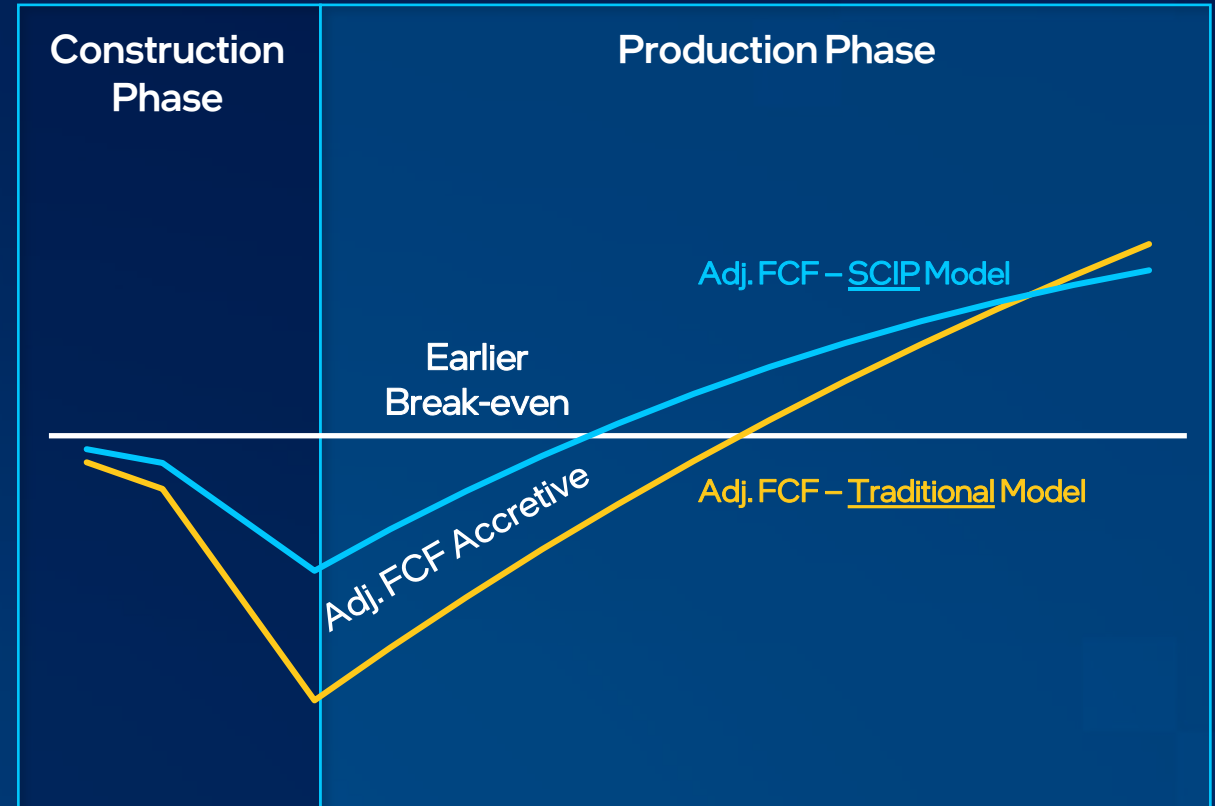
SCIP Financial Impacts

Financial Benefits

- Intel shares costs with Brookfield
- Better aligns our cash inflows and outflows
- Adjusted FCF accretive during our transformation with an earlier breakeven

Financial Accounting

- Intel will fully consolidate the new entity financials
- Net Income to exclude income attributable to the non-controlling interest



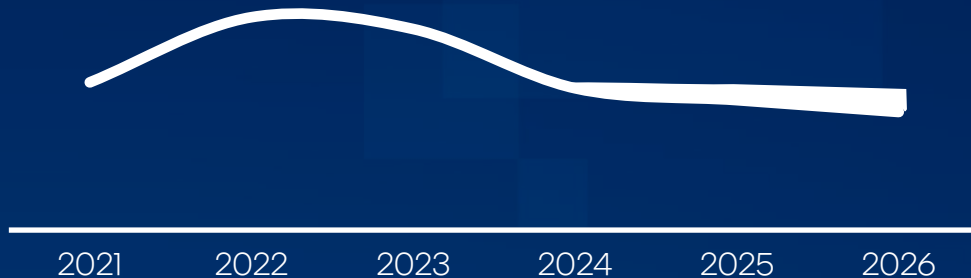
Note: For illustrative purposes only

*Adjusted free cash flow is operating cash flow adjusted for 1) additions to property, plant and equipment, net of proceeds from capital grants and partner contributions, 2) payments on finance leases, and 3) proceeds from the McAfee equity sale

Reaffirming our Investor Meeting Guardrails

Long-term capital intensity to ~25%

Net Capital Intensity %
(Net Capex / Revenue)



- Investment period to support growth and accelerate leadership
- Committed to active management of P&L and Balance Sheet

Strong balance sheet



Modest
Financial Leverage



Healthy
Liquidity



Strong
Investment Grade

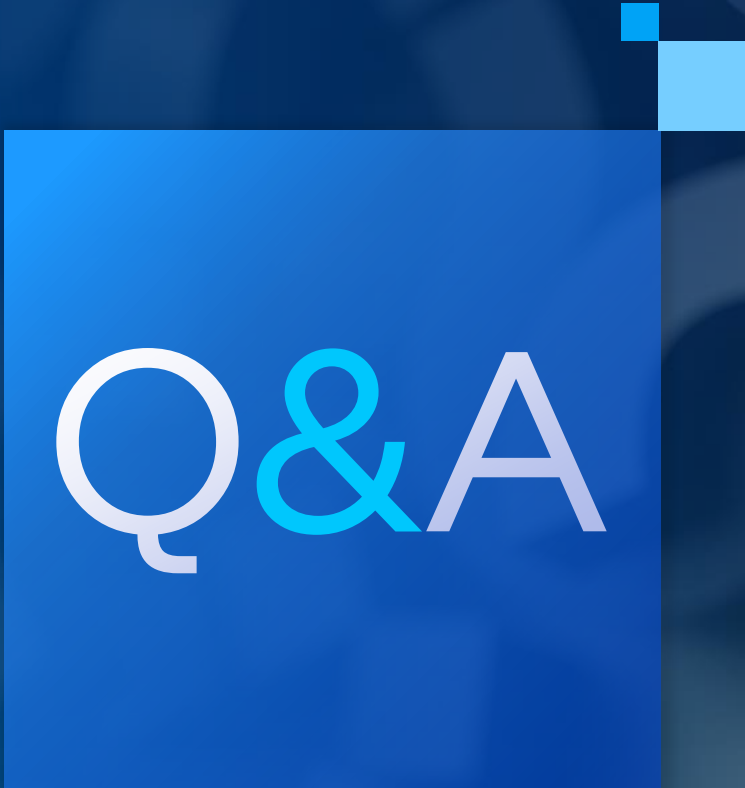
Capital Allocation

Sources
of Funding



Uses
of Funding





intel[®]

Accounting Impact of Smart Capital

	Government Capital Grants	Customer Prepayments	Semiconductor Co-Investment Program
Income Statement	<ul style="list-style-type: none"> Contra Depreciation 	<ul style="list-style-type: none"> No impact 	<ul style="list-style-type: none"> Consolidated net income/(loss) reduced/(increased) by "below-the-line" adjustment for net income/(loss) attributable to non-controlling interest share of equity
Balance Sheet	<ul style="list-style-type: none"> Cash Contra PP&E 	<ul style="list-style-type: none"> Cash Other long-term liabilities or contract liabilities 	<ul style="list-style-type: none"> Consolidate 100% of assets/liabilities Non-controlling interest is a component of equity
Cash Flow Statement	<ul style="list-style-type: none"> CFI: Additions to PP&E CFI/CFF: Proceeds from government grants 	<ul style="list-style-type: none"> CFO: Changes in other assets and liabilities or changes in prepaid customer supply agreements 	<ul style="list-style-type: none"> CFI: Additions to PP&E CFF: Contributions/(Distributions) from/(to) partners
Adjusted Free Cash Flow	<ul style="list-style-type: none"> Proceeds from government grants offset against additions to PP&E 	<ul style="list-style-type: none"> Included via Operating cash flows 	<ul style="list-style-type: none"> Partner contributions/(distributions) offset against additions to PP&E